

STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2765

EXAMINATION REPORT
OF

STATE BUREAU OF MOTOR VEHICLES COMMISSION
LICENSE BRANCH NUMBER 37
DANVILLE, INDIANA

January 1, 2003 to December 31, 2003

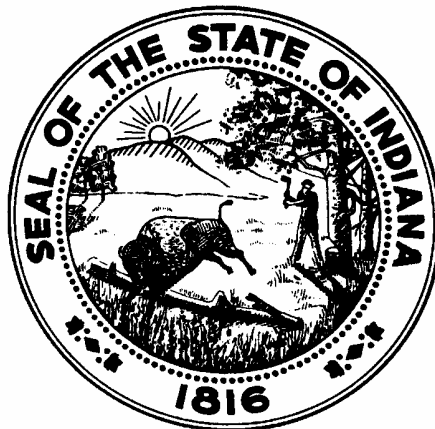


TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Officials	2
Independent Accountant's Report.....	3
Schedule of Collections and Distributions.....	4
Notes to Schedule of Collections and Distributions	5
Statistical Information.....	6
Examination Results and Comments:	
Accountable Items	7
Replacement Plates	7
Year End Inventory	7
Exit Conference.....	8

OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Chairman, Bureau of Motor Vehicles Commission	Mr. Gerald Coleman Ms. Mary DePrez	01-06-02 to 02-29-04 03-01-04 to 01-05-05
Branch Manager	Mrs. Sharon Anderson-Cross	01-01-03 to 12-31-04



STATE OF INDIANA

AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2765

Telephone: (317) 232-2513
Fax: (317) 232-4711
Web Site: www.in.gov/sboa

INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE STATE BUREAU OF MOTOR VEHICLES COMMISSION

We have examined the Schedule of Collections and Distributions of the State Bureau of Motor Vehicles Commission License Branch Number 37 (Branch) for the period of January 1, 2003, to December 31, 2003. The Branch's management is responsible for the schedule. Our responsibility is to express an opinion based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence supporting the Schedule of Collections and Distributions and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

In our opinion, the schedule referred to above presents fairly, in all material respects, the cash transactions of the Branch for the year ended December 31, 2003, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

STATE BOARD OF ACCOUNTS

October 7, 2004

STATE BUREAU OF MOTOR VEHICLES COMMISSION
 LICENSE BRANCH NUMBER 37
 DANVILLE, INDIANA
 SCHEDULE OF COLLECTIONS AND DISTRIBUTIONS
 January 1, 2003 to December 31, 2003

	<u>Amount</u>
Collections:	
Registrations	\$ 3,180,059
Titles	485,093
Drivers Licenses	112,424
Watercraft	76,672
Miscellaneous	<u>164</u>
Total	<u><u>\$ 3,854,412</u></u>
Distributions:	
State Fees	\$ 1,493,454
County Tax	2,059,365
Commission Fees	<u>301,593</u>
Total	<u><u>\$ 3,854,412</u></u>

The accompanying notes are an integral part of the schedule.

STATE BUREAU OF MOTOR VEHICLES COMMISSION
LICENSE BRANCH NUMBER 37
DANVILLE, INDIANA
NOTES TO SCHEDULE OF COLLECTIONS AND DISTRIBUTIONS

Note 1. Introduction

The Motor Vehicles Commission was created to manage the motor vehicle license branches. The Bureau of Motor Vehicles is a separate state agency which provides support services to the Commission controlled license branches. The license branches collect fees which fund the Motor Vehicles Commission. The license branches collect and forward county taxes (excise tax, wheel tax, and surtax) and state fees. The Commission has one contractual branch that is administered by an individual contractor according to Bureau policies. The Commission has developed a mobile license branch to serve the need of CDL license issuance and other special needs as they arise.

Note 2. Collections and Distributions

Each branch collects fees and taxes when vehicle and watercraft registrations, titles and drivers licenses are sold. Fees are uniform throughout the state. The following taxes are collected by the branches: excise tax, surtax, wheel tax, and use tax.

The total daily collections are deposited to a single bank account. From this account the collections are distributed to separate bank accounts which are not controlled by the license branch and belong to the state, county and Bureau of Motor Vehicles Commission.

Note 3. Banking System

The Bureau of Motor Vehicles Commission has entered into an agreement with Bank One for a cash concentration system. The system utilizes a series of individual noninterest bearing accounts (clearing accounts) from which all fees and taxes are transferred.

STATE BUREAU OF MOTOR VEHICLES COMMISSION
 LICENSE BRANCH NUMBER 37
 DANVILLE, INDIANA
 STATISTICAL INFORMATION
 January 1, 2003 to December 31, 2003

<u>Transactions Processed</u>	<u>Quantity</u>
Vehicle Registrations:	
Passenger	11,108
Motorcycle	612
RV (Housecar)	360
Light Truck	5,117
Other Truck	524
Farm Truck	234
Tractor	108
Trailer	2,373
Semi-Trailer	215
School and Church Bus	5
Other Bus	2
Other	411
Total Vehicle Registrations	<u>21,069</u>
Drivers Licenses and Permits:	
Drivers Licenses/Learners Permits	4,826
CDL Licenses/CDL Permits	352
Placards	626
Other	3,082
Total Drivers Licenses and Permits	<u>8,886</u>
Titles:	
Vehicles	8,735
Watercraft	182
Total Titles	<u>8,917</u>
Total Watercraft Registrations	<u>1,006</u>

STATE BUREAU OF MOTOR VEHICLES COMMISSION
LICENSE BRANCH NUMBER 37
DANVILLE, INDIANA
EXAMINATION RESULTS AND COMMENTS

ACCOUNTABLE ITEMS

The following schedule details missing items revealed during a comparison of actual inventory of accountable items to the Open Inventory Report of the State Bureau of Motor Vehicles at December 31, 2003. No evidence was found to indicate these items have been sold.

<u>Year</u>	<u>Plate Type</u>	<u>Plate Number</u>
2002	Passenger	99J129
2005	Trailer 3,000	5667G
2007	Passenger	32A1349 to 32A1350
2007	Passenger	32A1948
2007	Passenger	32A2024
2007	Passenger	67U962

A listing of the items that are to be accounted for to the State Board of Accounts is included in the Branch Operations Policies and Procedures Manual. (Branch Operations Policies and Procedures Manual, Supplies and Equipment Chapter)

REPLACEMENT PLATES

Form 6, "Application for Duplicate or Replacement License Plate," was not on file for all replacement plates and stickers issued.

The registration stub/receipt should be attached to the Form 6, "Application for Duplicate or Replacement License Plate," and put in the End of Day file marked with the appropriate invoice number. (Branch Operations Policies and Procedures Manual, Branch Filing Procedures Chapter)

YEAR END INVENTORY

The Branch personnel took an inventory at the end of 2003. In January 2004, we tested the accuracy of this inventory. Several items were located at that time which had not been included in the inventory. The inventory was not taken in the proper order nor were the proper inventory forms used.

Prior to year end, detailed inventory instructions were developed and distributed to each branch by Audit Services. They included a listing of accountable items along with sample forms and examples. (Letter dated December 3, 2003, from the Audit Services Director)

STATE BUREAU OF MOTOR VEHICLES COMMISSION
LICENSE BRANCH NUMBER 37
DANVILLE, INDIANA
EXIT CONFERENCE

The contents of this report were discussed on October 7, 2004, with Mrs. Sharon Anderson-Cross, Branch Manager. The official concurred with our findings.